

FISCAL MEMORANDUM

SB 308 – HB 2063

April 13, 2007

SUMMARY OF AMENDMENT (006023): Changes the name of the created department to the Department of Aging and establishes a 25 member advisory council.

CORRECTED FISCAL IMPACT OF ORIGINAL BILL:

Increase State Expenditures – Net Impact - \$92,600

Other Fiscal Impact – Increase Federal Expenditures – Net Impact - \$192,400

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Increase State Expenditures - \$101,200

Other Fiscal Impact – Increase Federal Expenditures - \$210,200

Assumptions applied to amendment:

- The advisory board created in the proposed amendment will receive the same amount of per diem and travel reimbursement which is currently received by the Commission on Aging and Disability. Such will not result in a decrease in expenditures of \$26,455 as was incorporated in the fiscal impact of the original bill.
- The total increase in expenditures for the bill as amended is estimated to be \$311,466.
- Currently, approximately 30% of the Commission's expenditures are included in a federal waiver through the TennCare program. Thirty percent (30%) of the net increase in expenditures, or \$93,440 will be included in the TennCare waiver which receives a 50% federal match for administrative expenditures. Such will result in \$46,720 in state funds and \$46,720 in federal funds.
- The remaining 70%, or \$218,026, will receive the Commission's federal match of 75%. Such will result in an increase in state expenditures of \$54,506 and federal expenditures of \$163,520.

- The total net increase in state expenditures will be \$101,226 and federal expenditures will be \$210,240.
- According to the Commission on Aging and Disability, as the services provided through the TennCare program waiver increase, the percentage of expenditures through the waiver program will increase which will have a fiscal impact on the ratio of state and federal expenditures.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "James W. White". The signature is fluid and cursive, with the first name "James" and last name "White" clearly distinguishable.

James W. White, Executive Director

/kml